

EXHIBIT 1



2007

Annual Report

AMERICAN INTERNATIONAL GROUP, INC.

Life Insurance & Retirement Services

Serving millions of customers around the world, AIG's growing global Life Insurance businesses make up the most extensive network of any life insurer. Strategies for enhancing growth focus on developing new markets, expanding distribution channels and broadening product offerings. AIG has one of the premier Retirement Services businesses in the United States and it also has an extensive international retirement services network—both poised to meet the asset accumulation, protection and lifetime income needs of individuals around the world.

Foreign Life Insurance & Retirement Services

AIG's Foreign Life Insurance & Retirement Services operations are conducted principally through the following market-leading companies:

- American International Assurance Company, Limited (AIA), is AIG's flagship life insurance company for Southeast Asia and the leading life insurer in the region. Its extensive network of branches, subsidiaries and affiliates spans Australia, Brunei, China, Guam, Hong Kong, India, Indonesia, Macau, Malaysia, New Zealand, Singapore, South Korea, Thailand and Vietnam.



- American Life Insurance Company (ALICO) is among the largest international life insurance companies in the world, with operations in more than 50 countries. ALICO's operations stretch from Japan to Europe, the Middle East, Latin America, South Asia and the Caribbean.
- AIG Star Life Insurance Co., Ltd., and AIG Edison Life Insurance Company contribute to AIG's growing life insurance presence in Japan through the sale of life, accident and health, and retirement services products via agents, brokers and bank partners.
- Nan Shan Life Insurance Company, Ltd., is Taiwan's second-largest life insurer in terms of total premium.

- The Philippine American Life and General Insurance Company (Philamlife) is the largest and most profitable life insurance company in the Philippines.

Domestic Life Insurance & Retirement Services

In the United States, AIG's Domestic Life Insurance & Retirement Services businesses offer a comprehensive range of life insurance, annuity, and accident and health products for financial planning, estate planning and wealth transfer. They use a full complement of distribution channels, including banks, national and regional brokerage firms, independent financial planning firms, independent and national marketing organizations, brokerage general agencies, independent insurance producers and general agents, and worksite specialists. The principal operations include the following:

- AIG American General, one of the largest life insurance organizations in the United States, distributes a broad range of life insurance, annuity, and accident and health products.
- AIG Annuity Insurance Company is the largest issuer of fixed annuities in the United States and the leading provider of annuities sold through banks.
- AIG Retirement (formerly branded as AIG VALIC) is the nation's leading provider of group retirement plans to K-12 education and the third largest to healthcare and higher education institutions.
- AIG SunAmerica Retirement Markets is one of the nation's leading distributors of individual variable annuities and income solutions.

Asset Management

AIG's Asset Management businesses include institutional and individual asset management, broker-dealer services, private banking and spread-based investment programs, as well as the management of AIG insurance invested assets.

The businesses in AIG's Asset Management Group leverage AIG's deep knowledge of markets around the world and expertise in a wide range of asset classes.

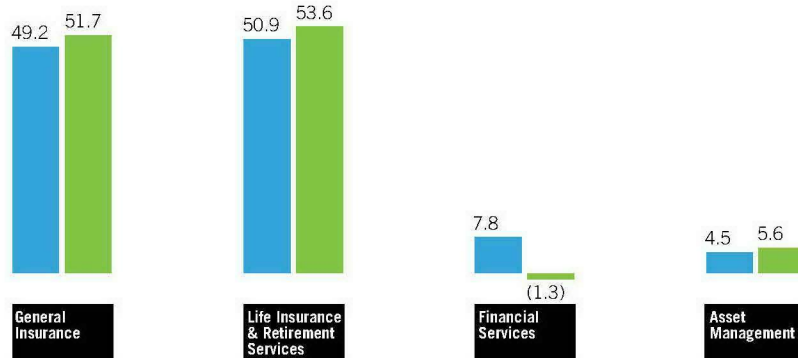
- AIG Investments manages equities, fixed income, private equity, hedge fund of funds and real estate investments for institutional, individual and high-net-worth investors around the world. AIG Investments ranks among the top seven money managers in the world by institutional assets under management.
- AIG Private Bank Ltd., AIG's Zurich-based private banking subsidiary, provides personalized private banking and structured wealth management solutions, including investment advisory and asset management products to a worldwide clientele.
- AIG SunAmerica Asset Management Corp. manages and/or administers retail mutual funds, as well as the underlying assets in AIG SunAmerica and AIG Retirement variable annuities sold to individuals and institutional groups throughout the United States.



- The AIG Advisor Group, Inc., broker-dealers provide financial products, technology support and business-building programs to independent financial advisors serving the retirement planning needs of clients in the United States.

Revenues by Major Business Segment*
(billions of dollars)

● 2006
● 2007



* Includes net realized capital gains (losses).